1951

File No. Iron & Steel II 51(N)

Legal Department
B BRANCH

Subject:— Notifications under the Iron & Steel (Control of Production & Distribution) Orders, 1941

P.2

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Gen. 194 e.

519-B

It is not possible to scrutinize the draft letter to the Government of India at pages 7-9 ante unless the circumstances in which and the manner in which and the condition, subject to which iron and steel is distributed to cultivators from the agricultural quota are clearly described. In the letter at page 1 ante a statement is made that the distribution to individual agriculturists is made by the Taluka Development Boards which consists of officials and non-officials specified therein. In the draft letter at pages 7-9 it is stated that it is not convenient to appoint a large staff for issuing permits for acquisition of agricultural quota. Are issued to agriculturists and no conditions regarding the prohibition of sale of iron and steel acquired for agricultural purposes are imposed upon them how such sale by them is to be considered as misuse and be made punishable as such.

2. In the A. & P.D. draft amendment proposed to p. 7-9 ante clause 8 of the Iron and Steel Order, 1941, it is however, proposed to penalize not the agriculturist himself who will be selling from such quota acquired by him, but a person who will acquire iron and steel from the agricultural quota. Again what is described as punishment is no punishment in the legal sense as what is profided in the draft by way of a penalty is that a person acquiring iron and steel from an agriculturist shall not use it <u>except in accordance with the conditions contained in the document which was the authority for acquisition.</u> The object of this restriction is not clear but it appears to be to prevent a person from

from obtaining his requirements ~~again~~ from a registered stock-holder under the order of 194 1941. But unless a power is given to the agriculturist selling iron and steel to take possession of the document there is every possibility of a person holding a document obtaining his requirements over again from a registered stock-holder.

3. The A & F.D. may therefore clarify the points discussed in para. 1 and consider the point's discussed in para. 2 above.

Remembrancer of Legal Affairs.

U.O. to A. & F.D. No. 6524, dated the 24th April 1951.

SSM / 18/7/56.